Meeting Date: 08/25/26
Lease Number: 4964
Staff: L. Anderson

Staff Report 26

APPLICANT:

City of Sacramento

SUBLESSEE:

Drowning Accident Rescue Team, Inc., a California Domestic Nonprofit Corporation (DART)

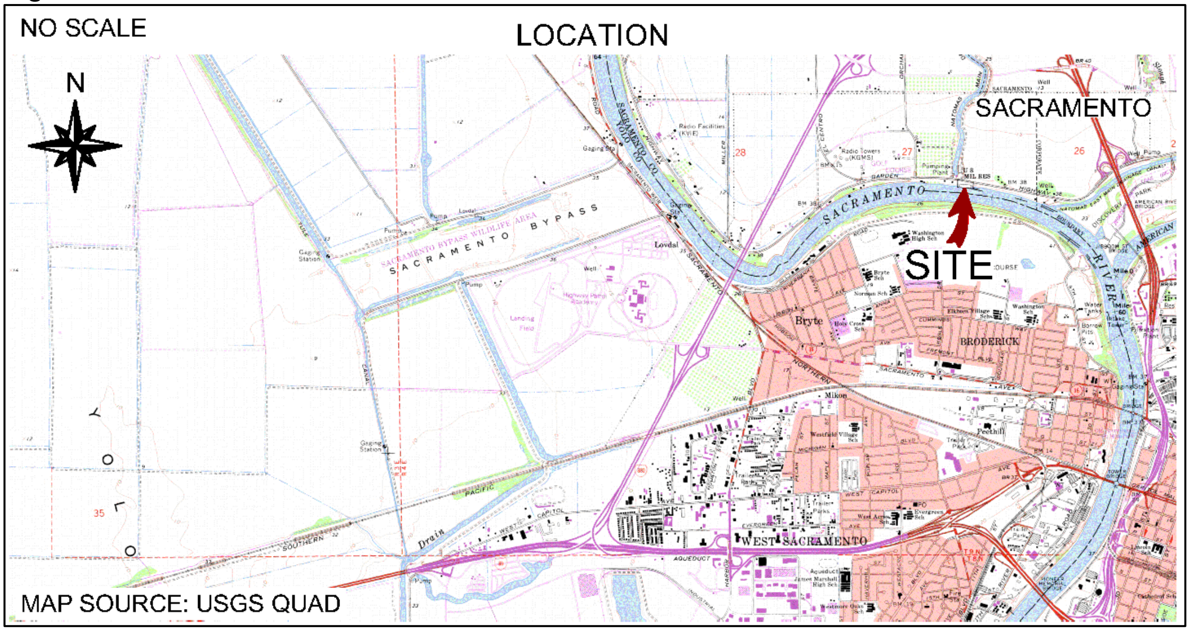
PROPOSED ACTION:

Issuance of a General Lease – Public Agency Use and Endorsement of a Sublease.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 1601 Garden Highway, near Sacramento, Sacramento County.

Figure 1. Location

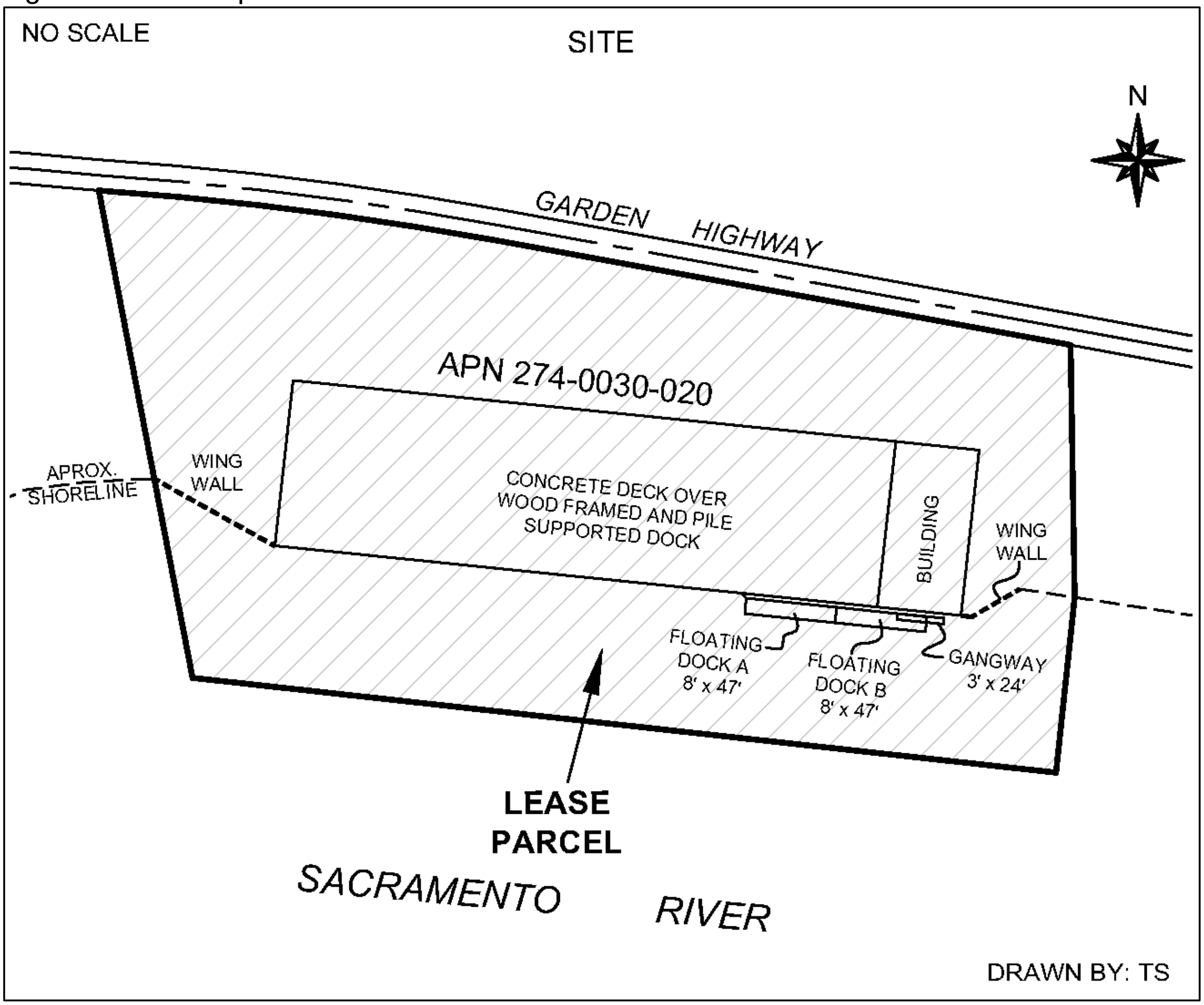


AUTHORIZED USE:

Lease: Use of an existing concrete deck over a wood-framed and pile-supported dock, building, boat dock, and gangway.

Sublease: Use and operation of existing lease improvements.

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

Lease/Sublease: 20 years, beginning August 25, 2026.

CONSIDERATION:
The public use and benefit; with the State reserving the right at any time to set monetary rent if the Commission finds such action to be in the State's best interests.

SPECIFIC LEASE PROVISIONS:
- Liability Insurance in an amount no less than $1,000,000 per occurrence.
- Lessee shall conduct above water and underwater inspections at periodic intervals during the lease term for the existing in-water improvements, in compliance with standards set by the American Society of Civil Engineers (ASCE), as specified in the Lease. Lessee shall provide copies of the inspection reports, to include any necessary remedial action plan, upon request, to Lessor's staff for review.
- Lessee shall reimburse Lessor for any and all reasonable costs and expenditures paid or incurred by Lessor, its staff, or both, for review and approval of any materials required herein, including but not limited to, review of inspection reports and any required remediation plan.
- Lessee agrees and acknowledges that the hazards associated with sea level rise may require additional maintenance or protection strategies regarding the improvements on the Lease Premises.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:
Public Resources Code sections 6005, 6216, 6301, 6303, 6501, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:
On November 21, 1974, the Commission authorized a 49-year Public Agency Permit to the United States of America, through the U.S. Army Corps of Engineers, for use by the Department of the Air Force. The lease was for the maintenance of an existing floating barge and covered boathouse used for storing government owned boats and machinery unloading (Item 4). This facility was operated as an associate site to McClellan Air Force Base and was commonly known as the McClellan Sacramento River Dock Annex. The Air Force later built a pile-supported

concrete deck and other improvements on the premises, now known as the McClellan Boat Dock Facility.

In 1995, McClellan Air Force Base and its associated sites were designated for closure by the 1995 Base Realignment and Closure Commission, and consequently, ceased operation as an Air Force Base on July 13, 2001. On June 4, 2007, interest in the upland parcel, including the federally built and owned lease improvements, was quitclaimed to the City of Sacramento by the United States Department of the Interior. The Commission's lease was never assigned to the City and expired on April 30, 2021. The Applicant has now applied for a General Lease – Public Agency Use, for the use of an existing concrete deck over a wood-framed and pile-supported dock, building, boat dock, and gangway. Staff recommends issuance of a new lease beginning August 25, 2026.

The Quitclaim Deed from the United States restricted use of the upland property and lease improvements "for public park and public recreation area purposes." However, at the time the property was transferred to the Applicant, it had no funding available for development of a plan for the public use of the facilities. On July 1, 2008, the Applicant entered into a license agreement for the facilities with DART, for the purpose of using the facilities to broaden its public safety awareness, education mission, and other public purposes.

DART was founded in 1980 as a California nonprofit public-benefit corporation, and its specific purpose is to provide immediate reaction rescue for accident victims and transportation to medical facilities. In addition, DART develops, promotes, and presents educational programs to the public, and conducts research, design, development, and testing of rescue equipment and procedures. DART uses the dock facilities as their headquarters and main response location. The response vehicles and related equipment are stored at this location, and the boat dock is used to moor the boat that is used in water rescues. On occasion, DART has used the dock to land helicopters to facilitate emergency rescues.

The proposed lease includes provisions requiring the lessee to conduct a baseline above-water and underwater inspection of the existing facilities within the first year of the lease term, follow by periodic inspections throughout the lease term in accordance with the standards of the ASCE. The lessee is required to provide inspection reports to the Commission and to complete any repair or maintenance requirements as it will help ensure the long-term structural integrity of the existing facilities, minimize potential risks to public trust resources, and support the continued safe use of the lease premises throughout the life of the lease.

Staff recommends approval of the lease and endorsement of the sublease. The proposed lease is limited to a term of 20 years, which allows the Commission flexibility to determine if the Public Trust needs of the area have changed over time. The facilities have existed at this location for many years; they do not significantly alter the land, they do not alienate the State's fee simple interest in the underlying land, and they do not permanently impair public rights. Upon termination of the proposed lease, the lessee may be required to remove any improvements and restore the lease premises to their original condition.

Furthermore, the proposed lease requires the lessee to insure the lease premises and indemnify the State for any liability incurred, directly or indirectly, as a result of the lessee's and sublessee's activities thereon. As such, Commission staff believes this use of state-owned land, by a public agency, for a public benefit is in the best interests of the State.

CLIMATE CHANGE:

INTRODUCTION:

The climate crisis and rising sea levels are impacting California's coastal and inland waterways now. Likely impacts to the lease premises include, but are not limited to, sea level rise, saltwater intrusion, prolonged drought, extreme heat, and changes to the intensity and timing of precipitation events. These impacts can exacerbate natural hydrological processes such as erosion, scour, and sedimentation. These impacts may affect the existing structures subject to the proposed lease, located on the Sacramento River.

DATA & PROJECTIONS:

Water levels in tidally-influenced rivers will rise as sea levels rise. The California Ocean Protection Council updated the State of California Sea Level Rise Guidance in 2024 to provide a synthesis of the best available science on sea level rise projections and rates for multiple emissions scenarios. Commission staff evaluated the "intermediate" scenarios due to the lower vulnerability and exposure of the lease location and the adaptability of the existing bridges. The San Francisco tide gauge was used for the projected sea level rise scenario for the lease region, as listed in Table 1.

Table 1. Projected Sea Level Rise for San Francisco

Year	Intermediate (feet)
2040	0.6
2050	0.8
2070	1.4
2100	3.1

Source: Table 6, State of California Sea Level Rise Guidance: 2024 Update
Note: Projections are with respect to a 2000 baseline.

In addition to rising seas, warmer temperatures have led California and the Southwest region to experience a megadrought from 2000 to 2022, measured as the driest 22 years in the past 1200 years, and more megadroughts are projected through the end of the century (Fifth National Climate Change Assessment: Southwest Region, 2023). Hotter and drier conditions have led to declines in snowpack volumes, higher-elevation snow lines, earlier snowmelt, and reduced overall runoff. Streamflow and river volumes are lower and will be drawn down farther as temperatures continue to rise and demand for water increases. Despite the region's increasing aridity, flooding from extreme precipitation events is projected to increase, attributed to earlier snowmelt, sea level rise, and more intense and frequent atmospheric rivers. Minor and moderate flooding (flooding events defined as disruptive to damaging), attributed to higher water levels, is expected to increase five to ten orders of magnitude by 2100, according to NOAA's 2022 Sea Level Rise Technical Report.

ANALYSIS:

The lease premises are likely to experience more extreme conditions over the lease term than in the past, due to climate change. Changes to the timing and amount of runoff from the higher elevations of the watershed, stronger storm surge, and rising water levels will result in higher flood risks. Bank stability may be compromised due to increased channel erosion and undercutting from more intense precipitation and floods. Structures on the lease premises may be exposed to saltier water and corrode faster than before. Conversely, drought could lower water levels for longer portions of the year and expose structures that were historically designed to be submerged to more air, wind, and heat. They could cease to function as intended, as water-related, water-dependent infrastructure (e.g., fixed docks could become disconnected from the water). Floating structures may be more adaptable to changing water levels than those that are fixed, but all structures may be at increased risk for damage from exposure to extreme heat and floods.

RECOMMENDATIONS:

To reduce the likelihood of adverse impacts to the lease premises and improvements, the lessee should inspect fixed structures frequently and monitor for degradation, replacing damaged parts when necessary and elevating or relocating structures when exposure to flooding compromises structural function and integrity. Any future construction or activities on State land would require a separate authorization from the Commission. For more information regarding nature-based strategies, please refer to the 2023 Shoreline Adaptation and the Public Trust report.

Regular maintenance, as referenced in the lease, may reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland are located in an area that may be subject to the effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons above, staff believes the issuance of the proposed lease and endorsement of a sublease will not substantially impair the public rights to navigation and fishing; or substantially interfere with other Public Trust needs and values at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the existing facilities located on sovereign land and restore the premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.

2. This action is consistent with the "Meeting Evolving Public Trust Needs" and "Leading Climate Activism" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.

3. Endorsement of a sublease is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

   Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

4. Staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

   Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061 and California Code of Regulations, title 2, section 2905.

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that issuance of the lease is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease and endorsement of a sublease will not substantially impair the public rights to navigation and fishing; or substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize issuance of a General Lease – Public Agency Use to the Applicant beginning August 25, 2026, for a term of 20 years, for the use of an existing concrete deck over a wood-framed and pile-supported dock, building, boat dock, and gangway; consideration being the public use and benefit, with the State reserving the right at any time to set a monetary rent, as specified in the lease, if the Commission finds such action to be in the State's best interests; and liability insurance in an amount no less than $1,000,000 per occurrence.

2. Authorize, by endorsement, a sublease from the City of Sacramento to Drowning Accident Rescue Team, Inc., a California Domestic Nonprofit Corporation, of Lease 4964, which shall be subject to the terms of Lease 4964, for the use and operation of the existing improvements, for 20 years, beginning August 25, 2026, and ending on August 24, 2046.